



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285**

**DAVE GOETZ
COMMISSIONER**

FOR IMMEDIATE RELEASE
TUESDAY, FEBRUARY 13, 2007

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JANUARY REVENUES

NASHVILLE - Tennessee's revenue collections for January exceeded growth estimates, as anticipated by state budget analysts. Finance and Administration Commissioner Dave Goetz reported today that overall January revenues were \$1.01 billion or \$35.3 million more than the state budgeted.

"We are glad to see a return in sales tax growth, based upon Christmas sales, and it's also good to see the continued strength in franchise and excise taxes," Goetz said. "This makes us much more confident that the revenue estimates for the current year will be accurate."

On an accrual basis, January is the sixth month in the 2006-2007 fiscal year.

The general fund was over collected by \$22.8 million and the four other funds were over collected by \$12.5 million.

Sales tax collections were \$6.2 million more than the estimate for January. The January growth rate was 4.4%. For six months revenues are under collected by \$64.3 million. The year-to-date growth rate for six months was 4.16%.

Franchise and excise taxes combined were \$13.6 million above the budgeted estimate of \$117.8 million. For six months revenues are over collected by \$101.0 million.

Gasoline and motor fuel collections for January increased by 11.67% and were \$10.3 above the budgeted estimate of \$69.4 million. For six months revenues are over collected by \$6.6 million.

Year-to-date collections for six months were \$85.5 million more than the budgeted estimate. The general fund was over collected by \$73.0 million and the four other funds were over collected by \$12.5 million.

The budgeted revenue estimates are based on the State Funding Board's consensus recommendation adopted by the second session of the 104th General Assembly in May of 2006.

<p align="center">REVENUE COLLECTIONS JANUARY, 2007, AND 6 MONTHS YEAR-TO-DATE</p>

January Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$830,579,000	\$853,366,000	\$22,787,000
Highway Fund	49,617,000	55,951,000	6,334,000
Sinking Fund	26,798,000	26,848,000	50,000
City & County Fund	65,469,000	71,453,000	5,984,000
Earmarked Fund	2,936,000	3,056,000	120,000
Total	\$975,399,000	\$1,010,674,000	\$35,275,000

Year-To-Date Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$4,247,602,000	\$4,320,567,000	\$72,965,000
Highway Fund	310,953,000	318,313,000	7,360,000
Sinking Fund	156,064,000	155,591,000	(473,000)
City & County Fund	365,419,000	370,878,000	5,459,000
Earmarked Fund	15,942,000	16,110,000	168,000
Total	\$5,095,980,000	\$5,181,459,000	\$85,479,000

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	January			
	2006	2007	Change	Percent
Franchise & Excise	\$119,000,000	\$131,419,000	\$12,419,000	10.44%
Income	3,849,000	6,670,000	2,821,000	73.29%
Inheritance & Estate	3,854,000	3,071,000	-783,000	-20.32%
Gasoline	52,188,000	56,418,000	4,230,000	8.11%
Petroleum Special	5,418,000	5,786,000	368,000	6.79%
Tobacco	9,805,000	8,152,000	-1,653,000	-16.86%
Beer	1,349,000	1,247,000	-102,000	-7.56%
Motor Vehicle Registration	16,402,000	18,389,000	1,987,000	12.11%
Motor Vehicle Title	847,000	927,000	80,000	9.45%
Mixed Drink	4,629,000	5,123,000	494,000	10.67%
Business	1,227,000	1,234,000	7,000	0.57%
Privilege	25,689,000	25,771,000	82,000	0.32%
Gross Receipts	92,000	69,000	-23,000	-25.00%
TVA - In Lieu of Tax Payments	18,344,000	21,115,000	2,771,000	15.11%
Alcoholic Beverage	4,794,000	4,854,000	60,000	1.25%
Sales and Use	672,807,000	702,671,000	29,864,000	4.44%
Motor Vehicle Fuel	13,744,000	17,470,000	3,726,000	27.11%
Severance	158,000	171,000	13,000	8.23%
Coin-operated Amusement	0	2,000	2,000	NA
Unauthorized Substance	136,000	115,000	-21,000	-15.44%
Total	\$954,332,000	\$1,010,674,000	\$56,342,000	5.90%

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August - January			
	2005-2006	2006-2007	Change	Percent
Franchise & Excise	\$595,458,000	\$695,250,000	\$99,792,000	16.76%
Income	14,744,000	18,147,000	3,403,000	23.08%
Inheritance & Estate	39,852,000	51,769,000	11,917,000	29.90%
Gasoline	309,687,000	311,562,000	1,875,000	0.61%
Petroleum Special	32,828,000	33,127,000	299,000	0.91%
Tobacco	62,283,000	60,981,000	-1,302,000	-2.09%
Beer	8,923,000	8,870,000	-53,000	-0.59%
Motor Vehicle Registration	103,819,000	111,246,000	7,427,000	7.15%
Motor Vehicle Title	5,346,000	5,441,000	95,000	1.78%
Mixed Drink	24,057,000	26,480,000	2,423,000	10.07%
Business	8,434,000	9,290,000	856,000	10.15%
Privilege	142,114,000	146,218,000	4,104,000	2.89%
Gross Receipts	12,939,000	14,319,000	1,380,000	10.67%
TVA - In Lieu of Tax Payments	109,954,000	120,791,000	10,837,000	9.86%
Alcoholic Beverage	20,739,000	21,371,000	632,000	3.05%
Sales and Use	3,313,914,000	3,451,921,000	138,007,000	4.16%
Motor Vehicle Fuel	91,956,000	92,979,000	1,023,000	1.11%
Severance	936,000	746,000	-190,000	-20.30%
Coin-operated Amusement	61,000	87,000	26,000	42.62%
Unauthorized Substance	470,000	864,000	394,000	83.83%
Total	\$4,898,514,000	\$5,181,459,000	\$282,945,000	5.78%

Table 3
August - January Revenue Overcollections/(Undercollections)
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	\$ (61,300,000)	\$ (3,000,000)	\$ (64,300,000)
Income Tax	2,500,000	1,200,000	3,700,000
Inheritance Tax	16,500,000	0	16,500,000
Privilege Tax	4,900,000	100,000	5,000,000
Business Tax	1,000,000	0	1,000,000
TVA	4,200,000	3,000,000	7,200,000
Gross Receipts	800,000	0	800,000
Gasoline & Motor Fuel Taxes	100,000	6,500,000	6,600,000
Motor Vehicle Registration	2,300,000	3,900,000	6,200,000
Other Taxes	1,000,000	800,000	1,800,000
Sub-Total	\$ (28,000,000)	\$ 12,500,000	\$ (15,500,000)
F & E Taxes	101,000,000	0	101,000,000
Total	\$ 73,000,000	\$ 12,500,000	\$ 85,500,000